

FEB 16 2007

FCC-MAILROOM

February 11, 2007

To Whom it May Concern:

This is Petition for exemption to the 'Closed Captioning' requirements on the basis of undue burden.

Urban Group Media, LLC is an independent broadcast production company based in Tucson, AZ (11088 W. Motes Drive, Marana, AZ 85653). We produce several local paid programming/Infomercials (28:30 in length) for the 'Urban Lifestyle' industry. These lifestyle infomercials are produced on a weekly basis and the turn around time is about 72 hours from shoot to station delivery. The productions represent community outreach opportunities by offering hands-on programming and production opportunities for the community's at-risk youth population.

These shows run on local independent and local affiliated broadcast networks.

Our production cost for a full 28:30 infomercial is at an average of \$1,000 per show with a turn around time (as stated above) averaging 72 hours. To 'Close Caption' a show would require a minimum of a 3 to 5 day turn around and an additional expense of approximately \$930 per show.

All in all - making each show 'Close Captioned' would push our clients out of compliance with their advertising guidelines, raise the productions costs 96%, and most importantly cause Urban Group Media's ultimate collapse due to the major financial burden on my company as the requirement of staffing increases, purchasing new equipment/software, and the sure loss of several clients due to the increased costs and increased turn around time.

I am sure in time as technology continues to improve there will be a much faster and cheaper way for me to implement 'CC' into these shows

Thank you for your time and consideration

Michael Wiles,
President
Urban Group Media
(520) 882-2076

Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Request for full Exemption from Closed Captioning Requirements

Dear Sirs,

Urban Group Media, LLC is responding to your request for further information regarding the Petition requesting exemptions from closed captioning requirements under the commission's rules, 47 C.F.R. § 79.1 based on the undue burden standard and regulations as it pertains to our "Urban Lifestyle" productions only.

INTRODUCTION AND OVERVIEW

Urban Group Media, LLC is a small independent broadcast production company, which was started in late 2003. Our primary goal is to provide our clients with a cost effective timely infomercial for the urban lifestyle market.

THE NATURE AND COSTS OF THE CLOSED CAPTIONING FOR THE PROGRAMMING

We have included the pricing structure for the vendor we use for closed caption of our other productions. We have found them to be competitively priced.

Below is the breakdown of costs per production:

Pop-Ups - \$195.00
Encoding - \$120.00
Dubs - \$42.25
Shipping - \$60.00
Rush Fees - \$315.00
Transcribing - \$250.00
Total Cost - \$928.25

Currently our production costs are \$1,00.00 per show. As you can see this increases the cost of the production by 96%. This will increase the cost to our advertisers by double which will result in our company losing business. This financial burden will lead to the ultimate collapse of our company. Attached is the available Profit and Loss Statement for 2006. As demonstrated the net was <\$0.00> for 2006. While the company continuously seeks additional sources of revenue from gaining new clients, the process is slow and not guaranteed.

OTHER IMPACT ON THE PROGRAM OWNER

In addition to the direct financial burden that the closed captioning requirement would impose on the company, it also impacts production in several ways that are detrimental to the Company and our Urban Lifestyle Clients.

1. **Program Scheduling.** As mentioned previously, we produce several local paid programming/Infomercials (28:30 in length) for the "Urban Lifestyle" industry. These are produced on a weekly basis and the production time currently is about 3 days from shoot to station delivery. In addition to the financial burden the time restraints are of particular importance because closed captioning these productions would result in the timeline outline below.

Currently we are able to turn around a show in 3 days:

- 1 day to shoot
- 1 day to edit
- 1 day to ship
- 3 day turn around

The following is the time line for closed captioning:


- 1 day transcribing
- 1 day shipping to Closed Captioning Company
- 3-5 days for a rush order (which they will all need because of the nature of the automotive business)
- 1 day dubbing
- 1 day to ship back
- 8-10 turn around time with closed captioning

This is problematic because the stations require the tape 3 days before the airdate. The above schedule eliminates the ability to comply with the stations.

As shown by this Petition, the commission should grant exemption for our "Urban Lifestyle" industry productions because in this case requiring closed captioning would create undue burden. The costs of captioning would be excessively high, and would substantially increase the Company's operating loss. As importantly as mentioned above there are other considerations to take into account. If more information is needed, please contact the undersigned at the address listed below.

Respectfully Submitted,

URBAN GROUP MEDIA, LLC

By 

Michael Wiles
President
11088 W. Motes Dr.
Marana, AZ 85653
(520) 882-2076
Michael@urbangroupmedia.com

08/14/06
Cash Basis

Urban Group Media LLC
Profit & Loss YTD Comparison
January 2006

	Jan 06	Jan 06
Ordinary Income/Expense		
Income		
4000 · Revenues		
4100 · Media Revenue	2,200.00	2,200.00
4200 · Website Design & Development	200.00	200.00
Total 4000 · Revenues	2,400.00	2,400.00
Total Income	2,400.00	2,400.00
Expense		
5500 · Professional Fees		
5510 · Legal Fees	850.00	850.00
Total 5500 · Professional Fees	850.00	850.00
Total Expense	850.00	850.00
Net Ordinary Income	1,550.00	1,550.00
Other Income/Expense		
Other Income		
7000 · Salary	400.00	400.00
Total Other Income	400.00	400.00
Other Expense		
8000 · Other Expense		
8010 · Rent	427.00	427.00
8020 · Utilities		
8021 · Electricity	165.00	165.00
8022 · Telephone	233.00	233.00
Total 8020 · Utilities	398.00	398.00
Total 8000 · Other Expense	825.00	825.00
Total Other Expense	825.00	825.00
Net Other Income	-425.00	-425.00
Net Income	1,125.00	1,125.00

08/14/06
Cash Basis

Urban Group Media LLC
Profit & Loss YTD Comparison
February 2006

	Feb 06	Jan - Feb 06
Ordinary Income/Expense		
Income		
4000 · Revenues		
4100 · Media Revenue	2,300.00	4,500.00
4200 · Website Design & Development	300.00	500.00
Total 4000 · Revenues	2,600.00	5,000.00
Total Income	2,600.00	5,000.00
Expense		
5500 · Professional Fees		
5510 · Legal Fees	0.00	850.00
Total 5500 · Professional Fees	0.00	850.00
Total Expense	0.00	850.00
Net Ordinary Income	2,600.00	4,150.00
Other Income/Expense		
Other Income		
7000 · Salary	400.00	800.00
Total Other Income	400.00	800.00
Other Expense		
8000 · Other Expense		
8010 · Rent	427.00	854.00
8020 · Utilities		
8021 · Electricity	165.00	330.00
8022 · Telephone	233.00	466.00
Total 8020 · Utilities	398.00	796.00
Total 8000 · Other Expense	825.00	1,650.00
Total Other Expense	825.00	1,650.00
Net Other Income	-425.00	-850.00
Net Income	2,175.00	3,300.00

08/14/06
Cash Basis

Urban Group Media LLC
Profit & Loss YTD Comparison
March 2006

	Mar 06	Jan - Mar 06
Ordinary Income/Expense		
Income		
4000 · Revenues		
4100 · Media Revenue	2,300.00	6,800.00
4200 · Website Design & Development	300.00	800.00
Total 4000 · Revenues	2,600.00	7,600.00
Total Income	2,600.00	7,600.00
Expense		
5500 · Professional Fees		
5510 · Legal Fees	0.00	850.00
Total 5500 · Professional Fees	0.00	850.00
Total Expense	0.00	850.00
Net Ordinary Income	2,600.00	6,750.00
Other Income/Expense		
Other Income		
7000 · Salary	400.00	1,200.00
Total Other Income	400.00	1,200.00
Other Expense		
8000 · Other Expense		
8010 · Rent	427.00	1,281.00
8020 · Utilities		
8021 · Electricity	165.00	495.00
8022 · Telephone	233.00	699.00
Total 8020 · Utilities	398.00	1,194.00
Total 8000 · Other Expense	825.00	2,475.00
Total Other Expense	825.00	2,475.00
Net Other Income	-425.00	-1,275.00
Net Income	2,175.00	5,475.00

08/14/06
Cash Basis

Urban Group Media LLC

Profit & Loss YTD Comparison

April 2006

	Apr 06	Jan - Apr 06
Ordinary Income/Expense		
Income		
4000 · Revenues		
4100 · Media Revenue	2,300.00	9,100.00
4200 · Website Design & Development	300.00	1,100.00
Total 4000 · Revenues	2,600.00	10,200.00
Total Income	2,600.00	10,200.00
Expense		
5500 · Professional Fees		
5510 · Legal Fees	0.00	850.00
Total 5500 · Professional Fees	0.00	850.00
5800 · Travel	1,700.00	1,700.00
Total Expense	1,700.00	2,550.00
Net Ordinary Income	900.00	7,650.00
Other Income/Expense		
Other Income		
7000 · Salary	400.00	1,600.00
Total Other Income	400.00	1,600.00
Other Expense		
8000 · Other Expense		
8010 · Rent	427.00	1,708.00
8020 · Utilities		
8021 · Electricity	165.00	660.00
8022 · Telephone	233.00	932.00
Total 8020 · Utilities	398.00	1,592.00
Total 8000 · Other Expense	825.00	3,300.00
Total Other Expense	825.00	3,300.00
Net Other Income	-425.00	-1,700.00
Net Income	475.00	5,950.00

08/14/06
Cash Basis

Urban Group Media LLC
Profit & Loss YTD Comparison
May 2006

	May 06	Jan - May 06
Ordinary Income/Expense		
Income		
4000 · Revenues		
4100 · Media Revenue	2,300.00	11,400.00
4200 · Website Design & Development	300.00	1,400.00
Total 4000 · Revenues	2,600.00	12,800.00
Total Income	2,600.00	12,800.00
Expense		
5500 · Professional Fees		
5510 · Legal Fees	0.00	850.00
Total 5500 · Professional Fees	0.00	850.00
5800 · Travel	1,100.00	2,800.00
Total Expense	1,100.00	3,650.00
Net Ordinary Income	1,500.00	9,150.00
Other Income/Expense		
Other Income		
7000 · Salary	400.00	2,000.00
Total Other Income	400.00	2,000.00
Other Expense		
8000 · Other Expense		
8010 · Rent	427.00	2,135.00
8020 · Utilities		
8021 · Electricity	165.00	825.00
8022 · Telephone	233.00	1,165.00
Total 8020 · Utilities	398.00	1,990.00
Total 8000 · Other Expense	825.00	4,125.00
Total Other Expense	825.00	4,125.00
Net Other Income	-425.00	-2,125.00
Net Income	1,075.00	7,025.00

08/14/06
Cash Basis

Urban Group Media LLC
Profit & Loss YTD Comparison
June 2006

	Jun 06	Jan - Jun 06
Ordinary Income/Expense		
Income		
4000 · Revenues		
4100 · Media Revenue	2,300.00	13,700.00
4200 · Website Design & Development	300.00	1,700.00
Total 4000 · Revenues	2,600.00	15,400.00
Total Income	2,600.00	15,400.00
Expense		
5500 · Professional Fees		
5510 · Legal Fees	0.00	850.00
Total 5500 · Professional Fees	0.00	850.00
5800 · Travel	0.00	2,800.00
Total Expense	0.00	3,650.00
Net Ordinary Income	2,600.00	11,750.00
Other Income/Expense		
Other Income		
7000 · Salary	400.00	2,400.00
Total Other Income	400.00	2,400.00
Other Expense		
8000 · Other Expense		
8010 · Rent	427.00	2,562.00
8020 · Utilities		
8021 · Electricity	165.00	990.00
8022 · Telephone	233.00	1,398.00
Total 8020 · Utilities	398.00	2,388.00
Total 8000 · Other Expense	825.00	4,950.00
Total Other Expense	825.00	4,950.00
Net Other Income	-425.00	-2,550.00
Net Income	2,175.00	9,200.00

08/14/06
Cash Basis

Urban Group Media LLC
Profit & Loss YTD Comparison
July 2006

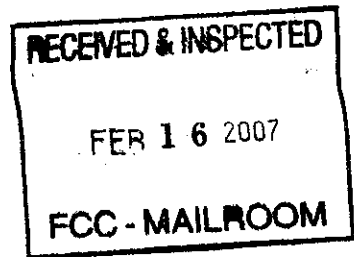
	Jul 06	Jan - Jul 06
Ordinary Income/Expense		
Income		
4000 · Revenues		
4100 · Media Revenue	2,300.00	16,000.00
4200 · Website Design & Development	300.00	2,000.00
Total 4000 · Revenues	2,600.00	18,000.00
Total Income	2,600.00	18,000.00
Expense		
5500 · Professional Fees		
5510 · Legal Fees	0.00	850.00
Total 5500 · Professional Fees	0.00	850.00
5800 · Travel	0.00	2,800.00
Total Expense	0.00	3,650.00
Net Ordinary Income	2,600.00	14,350.00
Other Income/Expense		
Other Income		
7000 · Salary	400.00	2,800.00
Total Other Income	400.00	2,800.00
Other Expense		
8000 · Other Expense		
8010 · Rent	427.00	2,989.00
8020 · Utilities		
8021 · Electricity	165.00	1,155.00
8022 · Telephone	233.00	1,631.00
Total 8020 · Utilities	398.00	2,786.00
Total 8000 · Other Expense	825.00	5,775.00
Total Other Expense	825.00	5,775.00
Net Other Income	-425.00	-2,975.00
Net Income	2,175.00	11,375.00

08/14/06
Cash Basis

Urban Group Media LLC
Balance Sheet
As of July 31, 2006

	<u>Jul 31, 06</u>
ASSETS	
Current Assets	
Checking/Savings	
Cash In Bank	11,375.00
Total Checking/Savings	<u>11,375.00</u>
Total Current Assets	11,375.00
Other Assets	
1500 · Equipment	6,000.00
1550 · Computers	6,700.00
1600 · Software	14,625.00
Total Other Assets	<u>27,325.00</u>
TOTAL ASSETS	<u><u>38,700.00</u></u>
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
2500 · Equipment Payable	6,000.00
2550 · Computer Payables	6,700.00
2600 · Software Payables	14,625.00
Total Long Term Liabilities	<u>27,325.00</u>
Total Liabilities	27,325.00
Equity	
Net Income	11,375.00
Total Equity	<u>11,375.00</u>
TOTAL LIABILITIES & EQUITY	<u><u>38,700.00</u></u>

ACKNOWLEDGMENT



State of Arizona

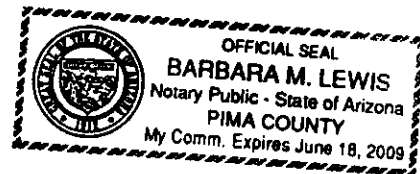
County of Pima

On February 14, 2007, before me,

BARBARA M. Lewis,

Notary Public, personally appeared MICHAEL WILES, personally known to me (or proved on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity/(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Barbara M. Lewis, Notary Public

My Commission Expires: June 18, 2009

Description of Attached Document: acknowledgement

Title or Type of Document : FCC AFFIDAVIT

Document Date : February 11, 2007 Number of Pages : 11